

UNITED STATES DISTRICT COURT
EASTERN DISTRICT OF PENNSYLVANIA

AGERE SYSTEMS INC.,

Plaintiff,

v.

ATMEL CORPORATION,

Defendant.

Case No.: 02-864 (LDD)

**STIPULATION AND [PROPOSED] ORDER
TO VACATE AND DISMISS WITH PREJUDICE**

IT IS HEREBY stipulated and agreed between Plaintiff Agere Systems Inc. ("Agere") and Defendant Atmel Corporation ("Atmel"), through their respective undersigned counsel, that, pursuant to the parties' Settlement Agreement:

(A) all of the claims and counterclaims of the above-referenced action are hereby dismissed with prejudice pursuant to Rule 41(a)(1)(ii) of the Federal Rules of Civil Procedure, each side to bear its own attorneys' fees and costs;

(B) the parties jointly request that the Court's summary judgment orders, jury verdicts, and judgments based thereon, including the March 28, 2005 Order of Civil Judgment and the underlying jury verdict, be vacated; and

(C) the parties request the Court retain jurisdiction to enforce the provisions of the Settlement Agreement attached hereto as Exhibit A and the related Confidential Settlement & Patent License Agreement referred to therein.

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Dated: June __, 2006

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Attorneys for Defendant Atmel Corporation

Dated: June __, 2006

The Court, having considered the parties' STIPULATION AND [PROPOSED] ORDER TO
VACATE AND DISMISS WITH PREJUDICE, HEREBY ORDERS:

(A) this action is hereby dismissed with prejudice, each side to bear its own attorneys' fees and costs;

(B) the Court's summary judgment orders, jury verdicts, and judgments based thereon, including the March 28, 2005 Order of Civil Judgment and the underlying jury verdict, are hereby vacated; and

(C) the Court retains jurisdiction to enforce the provisions of the Settlement Agreement attached hereto as Exhibit A and the related Confidential Settlement & Patent License Agreement referred to therein. referred to therein.

DATED: June __, 2006

The Honorable Legrome D. Davis
United States District Judge